DEPARTMENT OF THE ARMY PERMIT

PERMITTEE AND PERMIT NUMBER:

SOUTH JERSEY PORT CORPORATION Paulsboro Marine Terminal CENAP-OP-R-2007-1125-35

ISSUING OFFICE:

Department of the Army U.S. Army Corps of Engineers, Philadelphia District Wanamaker Building - 100 Penn Square East Philadelphia, Pennsylvania 19107-3390

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the Corps of Engineers having jurisdiction over the permitted activity or the appropriate official of that office acting under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

PROJECT DESCRIPTION:

To re-develop the former 130-acre British Petroleum (BP) Oil Terminal and the adjacent 45-acre former Essex Industrial Chemicals, Inc. (Essex) properties located adjacent to the Delaware River and Mantua Creek in the Borough of Paulsboro, Gloucester County into a new, deep-water marine terminal with associated processing, distribution, assembly and intermodal operations that will be called the Paulsboro Marine Terminal. Specifically, the port shall include a four-berth wharf consisting of three Handymax capable Berths (No's 1-3) and a 550' long x 150' wide barge mooring (Berth No. 4), 1,570' of a low-profile bulkhead within the dredge footprint to protect SAV beds, and dredging of 27 acres, generating 334,000 cubic yards of material, to -40'in the Delaware River and -20' in Mantua Creek plus 2' of overdredge. The project includes the construction of a dedicated roadway and bridge across Mantua Creek and compensatory wetlands and shallow water habitat mitigation.

All work is to be completed in accordance with the approved plan(s).

PROJECT LOCATION:

The former BP Oil Terminal and the former Essex industrial Facility, Block 1, Lots 1, 2, 3, 4, 5, 8, 18 through 24; Block 1.02, Lot 3; Block 1.03, Lot 3; Block 1.04, Lots 1 and 2; Block 1.07, Lots 20, 23, 26-44; Block 1.13, Lot 6; and Block 1.14, Lots 45-49; Borough of Paulsboro and lands adjacent to Paradise Road and the Gloucester County Sewer Treatment facility Block 328, Lots 1.20 and 1.25; Block 344, Lot 2; and Block 344.01, Lot 2.01; Township of West Deptford, Gloucester County, New Jersey.

PERMIT CONDITIONS:

General Conditions:

- 1. The time limit for completing the work authorized ends on December 31, 2014. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.
- 2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.
- 3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and State coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.
- 4. If you sell the property associated with this permit, you must obtain the signature of the new owner in the space provided and forward a copy of the permit to this office to validate the transfer of this authorization.
- 5. If a conditioned water quality certification has been issued for your project, you must comply with conditions specified in the certification as special conditions to this permit. For your convenience, a copy of the certification is attached if it contains such conditions.
- 6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Special Conditions:

1. All work performed in association with the above noted project shall be conducted in accordance with the project plans identified as:

"Paulsboro Marine Terminal & Access Road and Bridge, Borough of Paulsboro and Township of West Deptford...", sheets 1 through 28 and 26A, 33, 33A, 33B and 34, dated September 2010 and last revised October 12, 2010, prepared by CH2MHill and Pennoni Associates.

"Dredging...", sheets 5 through 22 dated October 2010, sheets DWG 1 – 4 dated October 2010, and AUD Figure 1-4 sheet 4 dated October 2010, prepared by CH2MHill Associates.

"Paulsboro Marine Terminal Submerged Aquatic Vegetation Mitigation, Borough of Paulsboro...", sheets 1 through 6, dated November 2010, prepared by CH2MHill Associates.

and "Gloucester County Improvement Authority, Paulsboro Marinne Terminal & Access Road and Bridge, Tidal Wetlands Mitigation Plans, Township of Logan, Gloucester County, New Jersey", sheets 1 through 15, dated December 2010, prepared by CH2MHill Associates.

The project plans provide for the construction of the proposed port, dredging, road and bridge construction and construction of compensatory mitigation sites. The stated purpose of the project is to develop an inter-modal cargo facility.

- 2. Construction activities shall not result in the permanent disturbance or alteration of greater than 4.4 acres of waters of the United States for port and road construction and 27 acres of dredging generating 334,000 cubic yards of dredged material. Dredge depths in the Delaware River will be -40'with 2' allowable over-depth and -20' with 2' allowable over-depth in Mantua Creek.
- 3. You should complete and sign the enclosed *Notification/ Certification of Work Commencement Form* (Enclosure 1) and submit it to this office at least 10 days prior to the commencement of authorized work. All notifications required by this condition shall be in writing and shall be transmitted to this office by registered mail. Oral notifications are not acceptable. This office shall also be notified within 10 days of the completion of the authorized work by completing and signing the enclosed *Notification/Certification of Work Completion/Compliance Form* (Enclosure 2).
- 4. Any deviation in construction methodology or project design from that shown on the above noted drawings must be approved by this office, in writing, prior to performance of the work. All modifications to the above noted project plans shall be approved, in writing, by this office. No work shall be performed prior to written approval of this office.
- 5. Representatives of the U.S. Army Corps of Engineers shall be permitted to inspect the project during construction and mitigation monitoring in order to collect any samples, to conduct any tests deemed necessary or to inspect work for permit compliance.
- 6. The permittee is responsible for ensuring that the contractor and/or workers executing the activity(s) authorized by this permit have knowledge of the terms and conditions of the authorization and that a copy of the permit document is at the project site throughout the period the work is underway.
- 7. The permittee understands and agrees that, if future operations by the United States require the removal, relocation, or other alteration, of the structure or work herein authorized, or if, in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the permittee will be required, upon due notice from the Corps of Engineers, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the United States. No claim shall be made against the United States on account of any such removal or alteration. (This special condition is applicable to Corps of Engineers permits that provide authorization

under Section 10 of the Rivers and Harbors Act of 1899.)

- 8. In order to avoid impacts to fish resources, including Short nosed Sturgeon (listed as Endangered under the Endangered Species Act) and Atlantic Sturgeon (proposed for listing under the Endangered Species Act), no in water work shall occur between March 15th and June 30th of any given year while this permit is valid.
- 9. In order to reduce hydroacoustic impacts on aquatic fauna during pile driving, a cushion cap shall be placed on pile heads during pile driving.
- 10. Dredging of 86,000 cubic yards of fine-grained material in the vicinity of Berths 3 and 4, which exceeds the NJDEP Non-Residential Soil Remediation Standards, shall be accomplished using an environmental bucket. An environmental bucket is enclosed, such as those manufactured by Cable Arm or similar, and has lips and seals in a state of repair such that they are watertight when filled to nominal capacity. The environmental bucket shall be maintained in working condition at all times during the dredging operation and operated in a manner minimizes the loss of solid sediments from the ascending environmental bucket. Such measures shall include limiting the amount of sediment contained in each bucket bite. The dredging contractor shall use appropriate software and sensors on the dredging equipment to ensure consistent compliance with this condition during the entire dredging operation, while an environmental bucket is required. Where an environmental bucket is required, it shall be lifted slowly through the water, at a rate of 2 feet per second or less. Dredging of the remaining 46,000 cubic yards of fine-grained material shall be accomplished via the same conditions and restrictions of the 86,000 cubic yards except disposal may occur on the uplands of the Paulsboro Marine Terminal property. Dredging of the 202,000 cubic yards of coarse-grained material shall be removed from the berthing facility via either mechanical or hydraulic dredge and disposed on the Paulsboro Marine Terminal property.
- All of the proposed 334,000 cubic yards of dredged material shall be dewatered on the project site as per the approved plans. The 86,000 cubic yards of fine-grained material which exceeds the NJDEP Non-Residential Soil Remediation Standards as depicted on the approved plan, shall be disposed of at the Gloucester County Solid Waste Complex Landfill, located in South Harrison Township, Gloucester County, New Jersey. The remaining 248,000 cubic yards of dredged material shall remain on the project site.
- 12. Dredged material shall be placed deliberately in water tight and/or solid hull construction barges in order to prevent spillage of material overboard. The gunwales of the dredge scows shall not be rinsed or hosed during dredging except to the extent necessary to ensure the safety of workers maneuvering on the dredge scow. All decant water within the scows shall be held without physical disturbance a minimum of 24 hours after the last addition dredged material. Return water from the decant holding scow may only be discharged into the Delaware River or Manuta Creek after the mandatory 24-hour retention time.
- 13. Soil erosion and sedimentation controls shall be installed in accordance with the approved plans and requirements by the various county soil conservation districts prior to any earth moving activity and maintained for the duration of the disturbance until such time as the soils are stabilized. The permittee shall monitor all erosion and sediment controls daily and

repair as needed to maintain compliance with the approved plans, conditions contained in this permit and any requirements of the various county soil conservation districts.

- 14. The permittee shall ensure that a professional archeological consultant will monitor the excavation of a 50' by 175' section of the existing berm during construction of the wetlands mitigation at the DREAM Park site in Logan Township, Gloucester County, New Jersey. Midtwentieth century aerial photography indicates a portion of a dike system (i.e., an earthen embankment and wooden sluices associated with the dike) is within this portion of the Corps Permit Area. If elements of the dike system, or any other unanticipated discoveries, are found, the permittee shall suspend work in the area immediately and contact this office. The office, the permittee and the SHPO and any Federally recognized tribe, will meet as soon as possible after the discovery and initial notification in order to determine the appropriate treatment of the discovery prior to resumption of construction activities within the permit area.
- 15. You shall compensate for the unavoidable loss of 4.4 acres of Federally regulated waters of the U.S., including wetlands by implementing a compensatory mitigation plan at the DREAM Park property in Logan Township, Gloucester County, New Jersey in accordance with the approved plans and specifications noted in Special Condition #1 above. Additionally, you shall compensate for the unavoidable loss of 1.06 acres of Submerged Aquatic Vegetation habitat by transplanting and replanting SAV in accordance with the approved plans and specifications noted in Special Condition #1 above.
- 16. You shall complete, execute and record the attached (Enclosure 3) joint NJDEP/Corps conservation easement entitled "GRANT OF CONSERVATION RESTRICTION/EASEMENT (Non-Routine Mitigation Site/Mitigation Banks) for the DREAM Park mitigation sites prior to the start any regulated work. You shall record the signed conservation restriction/easement with the Gloucester County Clerk or Recorder and provide evidence to this office within 30 days of the recordation.

FURTHER INFORMATION:

Congressional Authorities: You have been authorized to undertake the activity described ove pursuant to:
Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).
Section 404 of the Clean Water Act (33 U.S.C. 1344).
Section 103 of the Marine Protection, Research and Sanctuaries Act.

- 2. Limits of this authorization.
- a. This permit does not obviate the need to obtain other Federal, State, or local authorizations required by law.
 - b. This permit does not grant any property rights or exclusive privileges.

- c. This permit does not authorize any injury to the property or rights of others.
- d. This permit does not authorize interference with any existing or proposed Federal projects.
- 3. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:
- a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.
- b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.
- c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.
 - d. Design or construction deficiencies associated with the permitted work.
- e. Damage claims associated with any future modification, suspension, or revocation of this permit.
- 4. Reliance on Applicant's Data. The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.
- 5. Reevaluation of Permit Decision. This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:
 - a. You fail to comply with the terms and conditions of this permit.
- b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (see 4 above).
- c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.

Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you to comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as those specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

6. Extensions. General Condition 1 establishes a time limit for the completion of the activity

authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give favorable consideration to a request for an extension of this time limit.

Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.

MULTIPED (PERMITTEE) UN BEHALF OF JOSEPH BALZA SOUTH JENSEY PORT COLPORATION	JAN. 28 2011 (DATE) AND EXECUTIVE DIRECTOR
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This permit becomes effective when the Federal official, designated to act for the Secretary of the Army, has signed below.

(District Engineer)
(DATE)
Frank J. Cianfrani, Chief, Regulatory Branch

for Philip M. Secrist III
Lieutenant Colonel, Corps of Engineers
District Commander

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below.

(TRANSFEREE)	(DATE)